

READ THE TERMS AND CONDITIONS OF THIS LICENSE CAREFULLY BEFORE USING THIS SOFTWARE OR THE ACCOMPANYING USER DOCUMENTATION (THE "PROGRAM"). BY USING THE PROGRAM, YOU ARE ACCEPTING AND AGREEING TO THE TERMS AND CONDITIONS OF THIS LICENSE AGREEMENT. IF YOU ARE NOT WILLING TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS LICENSE AGREEMENT, YOU SHOULD RETURN THE PROGRAM UNUSED WITHIN FIFTEEN (15) DAYS OF PURCHASE AND YOU WILL RECEIVE A REFUND OF ANY MONEY WHICH YOU PAID FOR USE OF THE PROGRAM.

NOTE: DEPENDING UPON YOUR ORDER, THE PROGRAM MAY OR MAY NOT CONTAIN WINDOWS AND GRAPHICS SOFTWARE. IF SUCH WINDOWS AND GRAPHICS SOFTWARE IS ORDERED AND INCLUDED IN THE PROGRAM, CERTAIN ADDITIONAL LICENSE TERMS AND CONDITIONS APPLY. INCLUSION IN THIS LICENSE OF SUCH ADDITIONAL TERMS GOVERNING SUCH SOFTWARE DOES NOT IMPLY THAT YOU ARE ENTITLED TO SUCH SOFTWARE.

PURCHASE ACKNOWLEDGEMENT

SYSL2 - Operating System License **

Two-User Right to Use

1.0 DEFINITIONS

1.1 "Designated Equipment" means an equipment configuration comprising a single Sun central processing unit and associated equipment.

1.2 "Designated Site" means the location of the Designated Equipment or such subsequent location as may be established in accordance with Paragraph 2.4. below.

1.3 "Documentation" means flow charts, logic diagrams, program listings, operating instructions, user manuals, and related materials for use in connection with the Licensed Software.

1.4 "Fonts" means groups of alphanumeric or other type characters which have forms that are related by artificially consistent style (such as Roman, Italic, Outline, or Reverse), weight (such as light, medium, or bold), and width (such as narrow, regular, or expanded).

1.5 "F3 Fonts" means the Fonts in F3 format licensed hereunder which are licensed by Sun from its font suppliers and considered proprietary to such licensors. F3 Fonts may not be modified in any manner.

1.6 "Licensed Software" means the operating system software set forth in the Sun Price List for which LICENSEE has purchased an Object Code License, and any Updates thereto provided to LICENSEE by Sun in accordance with the terms of Paragraph 2.7 below, if any. Licensed Software shall also include any derivative works, including modifications, enhancements and extensions, which LICENSEE may acquire from any party other than from Sun or its authorized distributors.

1.7 "Proprietary Information" means that information which Sun desires to protect against unrestricted disclosure or competitive use and which is designated as such in writing by Sun or is disclosed orally and within thirty (30) days thereafter is reduced to tangible form pursuant to this License. All Proprietary Information shall be properly marked or noted as such prior to disclosure. Proprietary Information may include property of third parties who have granted licenses to Sun.

1.8 "TypeScaler" means the computer programs developed by Sun in binary form and licensed hereunder which are capable of dynamically scaling F3 Fonts.

1.9 "User" means a time-sharing terminal for entry of information and display or printing of information, such terminal being serviced on a time-sharing basis by the Designated Equipment under control of the Licensed Software.

1.10 "Update(s)" means any modifications, enhancements, extensions to, or other derivative work of the Licensed Software and/or Documentation made by or on behalf of Sun, and for which (i) LICENSEE has paid an update fee, either in the form of a per incident charge, or a fee paid pursuant to a separate support agreement for the Licensed Software and Documentation between Sun and LICENSEE, or (ii) Sun, in its sole discretion, provides at no additional cost to LICENSEE.

2.0 LICENSE GRANTED

2.1 Subject to the conditions herein and upon initial use of the Licensed Software on the Designated Equipment, Sun hereby grants to LICENSEE a perpetual, non-transferable, non-exclusive, limited license to use the Documentation and the Licensed Software in machine-readable form on the Designated Equipment at the Designated Site. The rights granted herein with respect to the Licensed Software shall include the right to display bitmaps, and develop applications using TypeScaler for internal use, and not for distribution to third parties, provided such applications are F3 compliant, only used with F3 Fonts and may not provide the ability to output to a hard

copy device, or to store for the purposes of outputting to a hard copy device, images rendered by the Licensed Software. Title to all copies of the Licensed Software, and Documentation remains in Sun or in third parties from whom Sun has acquired license rights. No distribution of the Licensed Software in any form is permitted under this License. No license is granted for use of the Licensed Software on other than the Designated Equipment, except as expressly provided in this License. No license, right or interest in any trademark, trade name or service mark of Sun or any third party from whom Sun has acquired license rights is granted under this License. The maximum number of simultaneous Users for the Designated Equipment shall be as specified in this purchase acknowledgement form.

2.2 This License, the Licensed Software, the Documentation and any other information provided by Sun to LICENSEE and any licenses and rights granted hereunder, may not be sold, leased, assigned, sublicensed or otherwise transferred, in whole or in part, by LICENSEE, except as provided in Paragraph 2.3 below.

2.3 In the event that, and only for so long as, LICENSEE'S Designated Equipment is not operative, LICENSEE may transfer to and use the Licensed Software on backup equipment at the Designated Site or some other site, provided LICENSEE informs Sun of any such transfer in writing.

2.4 LICENSEE may relocate the Designated Equipment, provided LICENSEE informs Sun of the subsequent location in writing, which shall be then considered the Designated Site.

2.5 The parties agree that LICENSEE shall be able to independently develop and use LICENSEE proprietary software which interfaces with and connects into the Licensed Software (such as pre-processors and post-processors). Such LICENSEE proprietary software shall remain the property of LICENSEE. LICENSEE shall not make any such proprietary software available for use by any third party unless such third party holds an appropriate license to utilize the Licensed Software in conjunction with such proprietary software.

2.6 LICENSEE shall not disassemble, decompile or otherwise reverse engineer the Licensed Software. LICENSEE shall not use TypeScaler to decrypt fonts or to extract, inspect or reverse engineer any font data for which it has no legal claim of ownership or contractual right to use.

2.7 In the event Sun, in its sole discretion, provides Updates to the Licensed Software and/or Documentation, and LICENSEE accepts the same, such Updates shall be deemed Licensed Software licensed to LICENSEE hereunder and subject to the terms and conditions of this License, except that any such Updates to the Licensed Software shall be warranted only in accordance with the provisions of Paragraph 8.4 below. In addition to applicable update fees, LICENSEE may be required to pay additional fees for media and Documentation upgrades.

3.0 DELIVERY, INSTALLATION, ACCEPTANCE AND RISK OF LOSS

3.1 Sun shall deliver the Licensed Software and Documentation to a common carrier, F.O.B. Sun facilities. LICENSEE assumes all risk of loss or damage upon delivery of the Licensed Software by Sun to a common carrier.

3.2 LICENSEE agrees that acceptance shall occur upon delivery of the Licensed Software by Sun to LICENSEE or a common carrier.

3.3 LICENSEE shall be solely responsible for installation of the Licensed Software on the Designated Equipment.

4.0 TERM AND TERMINATION

4.1 The effective date of this License shall be the date of the initial use of the Licensed Software on the Designated Equipment and its term is perpetual, subject to the termination provisions of this Article.

4.2 Sun may terminate this License upon thirty (30) days' written notice to LICENSEE, if LICENSEE fails to comply with any of the material terms and conditions of this License and if such failure to comply is not corrected within said thirty (30) day notice period.

4.3 Upon termination of this License, use of the Licensed Software by LICENSEE shall be discontinued and LICENSEE shall either return to Sun or destroy all copies of the Licensed Software and Documentation. LICENSEE shall, if requested by Sun, certify to Sun in writing that all copies of the Licensed Software have been returned or destroyed as required herein. Immediately upon termination, the license and rights granted hereunder shall automatically expire and LICENSEE shall have no further rights or access to the Licensed Software and/or Documentation.

5.0 PAYMENTS

In consideration of the license and rights in the Licensed Software and Documentation granted by Sun and in consideration of Sun's performance of its obligations hereunder, LICENSEE agrees to pay to Sun the License Fee specified in Sun's invoice. Terms are Net Thirty (30) days from the date of delivery of the Licensed Software and Documentation.

6.0 COPYRIGHT PROTECTION

LICENSEE shall reproduce and apply any copyright or other proprietary rights notices included on or in the Licensed Software to any copies thereof, in whole or in part, in any form.

7.0 PROPRIETARY INFORMATION

7.1 Sun hereby states and LICENSEE acknowledges that the Licensed Software and Documentation constitute a valuable asset of Sun and is to be considered Proprietary Information.

7.2 LICENSEE shall treat the Proprietary Information with the same degree of care as it treats its own proprietary information, but in all cases using at least a reasonable degree of care.

7.3 LICENSEE shall not use, disclose, make or have made any copies of the Proprietary Information, in whole or in part, without the prior written authorization of Sun, provided however, that LICENSEE shall be able to maintain non-productive backup or archival copies of the Licensed Software during the term of this License.

7.4 LICENSEE shall make reasonable efforts to notify and inform its employees having access to the Proprietary Information of LICENSEE'S limitations, duties and obligations regarding non-disclosure and copying of the Licensed Software. Proprietary Information shall be used only by employees and authorized agents of LICENSEE and only at the Designated Site, except as provided under this License.

7.5 Notwithstanding any provisions herein concerning non-disclosure and non-use of the Proprietary Information, LICENSEE shall have no liability for disclosure or use of any such information which LICENSEE can demonstrate by legally sufficient evidence (a) is already known to LICENSEE without an obligation of confidentiality, (b) is or becomes publicly known through publication, inspection of product or otherwise and through no wrongful act of LICENSEE, (c) is received from a third party without similar restriction and without breach of this License, (d) is independently developed by LICENSEE without use of the Proprietary Information, (e) is disclosed to a third party by or on behalf of Sun without a similar restriction on the third party's rights.

7.6 Except as otherwise provided in Article 4, within thirty (30) days after termination of this License, all materials containing the Proprietary Information are to be returned to Sun, through a common carrier selected by Sun, F.O.B. Designated Site, or destroyed on Sun's written instructions.

7.7 Notwithstanding any termination pursuant to Article 4, the obligations set forth in Articles 7, 8, 9 and 10 shall survive the termination this License.

8.0 WARRANTIES

8.1 Sun hereby warrants that it has the right to grant a license to use the Licensed Software to LICENSEE and that it has the right and power to enter into this License.

8.2 Sun warrants that the Licensed Software shall substantially conform to its users manual, as it exists at the date of delivery, for a period of ninety (90) days from the date of delivery. Sun's sole obligation under this warranty shall be limited to using commercially reasonable efforts to correct defects which result in material noncompliance with such users' manual and supply LICENSEE with a corrected version of the Licensed Software as soon as practicable after LICENSEE has notified Sun of such defects. Sun does not warrant that: (1) operation of any of the Licensed Software shall be uninterrupted or error free, or (2) functions contained in the Licensed Software shall operate in the combinations which may be selected for use by LICENSEE or meet LICENSEE's requirements. Sun's warranty obligations shall be void if the Licensed Software is modified without the written consent of Sun.

8.3 The warranties set forth in this Article are expressly subject to the limitations of Article 10.

8.4 Sun warrants that the media on which any Update is furnished shall be free of defects in materials and workmanship under normal use for a period of ninety (90) days from the date of delivery. All Updates are provided on an "AS IS" basis without warranty of any kind. The entire risk as to the quality and performance of any Update is with LICENSEE. In the event an Update is defective, LICENSEE assumes the entire risk and cost of repair or correction.

8.5 THE WARRANTIES SET FORTH IN THIS ARTICLE 8 ARE THE SOLE AND EXCLUSIVE WARRANTIES OFFERED BY SUN. THERE ARE NO OTHER WARRANTIES RESPECTING THE LICENSED SOFTWARE OR UPDATES, AND SUN HEREBY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF DESIGN, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE. NO AGENT OF SUN IS AUTHORIZED TO ALTER OR EXCEED THE WARRANTY OBLIGATIONS OF SUN AS SET FORTH HEREIN.

9.0 PATENT, TRADE SECRET AND COPYRIGHT INDEMNIFICATION

9.1 Sun will defend, at its expense, any action brought against LICENSEE to the extent that it is based on a claim that the use of the Licensed Software or Documentation when used within the scope of this Agreement infringes any United States patent, trade secret or copyright. Sun will indemnify LICENSEE from any costs, damages and fees finally awarded against LICENSEE which are attributable to such claim, provided that LICENSEE notifies Sun promptly in writing of the claim. LICENSEE shall permit Sun, at its sole discretion, to defend, compromise or settle the claim and provide all available information, assistance and authority to enable Sun to do so, provided Sun reimburses LICENSEE for such activity. Licensee shall have no authority to settle any claim on behalf of Sun.

9.2 Should the Licensed Software become or, in Sun's opinion, be likely to become the subject of a claim of infringement of a patent, trade secret or copyright, Sun may, at its sole option, (i) procure for LICENSEE, at no cost to LICENSEE, the right to continue to use the Licensed Software, (ii) replace or modify the Licensed Software and/or Documentation, at no cost to LICENSEE, to make such non-infringing, provided that the same function is performed by the replacement or modified Licensed Software and/or Documentation, or (iii) if the right to continue to use cannot reasonably be procured or the Licensed Software cannot reasonably be replaced or modified, terminate the license to use such Licensed Software and/or Documentation, remove the Licensed Software, and where a specific fee was paid by LICENSEE, grant LICENSEE credit thereon as depreciated on a straight-line five (5) year basis.

9.3 Sun shall have no liability for any claim of copyright, trade secret or patent infringement based on the (i) use of other than the then latest release of the Licensed Software and/or Documentation from Sun, if such infringement could have been avoided by the use of the latest release of the Licensed Software and/or Documentation and such latest version had been made available to LICENSEE, or (ii) use or combination of the Licensed Software with software, hardware or other materials not provided by Sun.

9.4 THIS ARTICLE STATES THE ENTIRE LIABILITY OF SUN WITH RESPECT TO INFRINGEMENT OF COPYRIGHTS, TRADE SECRETS, PATENTS AND OTHER INTELLECTUAL PROPERTY RIGHTS BY THE LICENSED SOFTWARE, DOCUMENTATION OR ANY PARTS THEREOF AND SUN SHALL HAVE NO ADDITIONAL LIABILITY WITH RESPECT TO ANY ALLEGED OR PROVEN INFRINGEMENT.

10.0 LIMITATION OF LIABILITY

10.1 IN NO EVENT WILL SUN BE LIABLE FOR ANY LOST REVENUES OR PROFITS OR OTHER SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES HOWEVER CAUSED AND REGARDLESS OF THEORY OF LIABILITY, EVEN IF SUN HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10.2 Except for the indemnification provisions of Article 9, Sun's maximum liability for damages shall be limited to the license fees paid by LICENSEE under this License for the particular Licensed Software which caused the damages.

11.0 FORCE MAJEURE

If the performance of this Agreement or any obligation hereunder, except the making of payments hereunder, is prevented, restricted or interfered with by reason of fire, flood, earthquake, explosion or other casualty or accident, strikes or labor disputes, inability to procure or obtain delivery of parts, supplies or power, war or other violence, any law, order, proclamation, regulation, ordinance, demand or requirement of any governmental agency, or any other act or condition whatsoever beyond the reasonable control of the affected party, the party so affected, upon giving prompt notice to the other party, shall be excused from such performance to the extent of such prevention, restriction or interference; provided, however, that the party so affected shall take all reasonable steps to avoid or remove such cause of nonperformance and shall resume performance hereunder with dispatch whenever such causes are removed.

12.0 TAXES

All payments required under Article 5 or otherwise under this Agreement are exclusive of taxes and LICENSEE agrees to bear and be responsible for the payment of all such taxes (except for taxes based upon Sun's income) including, but not limited to, all sales, use, rental receipt, personal property or other taxes which may be levied or assessed in connection with this License.

13.0 EXPORT

Regardless of any disclosure made by LICENSEE to Sun of an ultimate destination of the Licensed Software, LICENSEE shall not re-export or transfer, whether directly or indirectly, the Licensed Software and/or Documentation, the Proprietary Information or any system containing such Licensed Software and/or Documentation or Proprietary Information, to anyone outside the United States of America without first obtaining a license from the U.S. Department of Commerce or any other agency or department of the United States Government, as required.

14.0 GOVERNING LAW

This License is made under and shall be governed by and construed in accordance with the laws of the State of California, irrespective of its choice of law provisions.

** Sun is a trademark of Sun Microsystems, Inc.